

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2168 - SB 2253

March 10, 2020

SUMMARY OF ORIGINAL BILL: Creates the Tennessee Child Care Task Force (Task Force) to identify and assess the current challenges to providing quality and affordable child care, and to provide strategies and solutions to overcoming those challenges. Establishes that the Task Force be comprised of 11 members, 2 of which are to be legislative members. Requires the Task Force be administered by the Department of Human Services (DHS).

Requires the Task Force to hire and manage a consulting firm to assist in the development of a multi-year plan for increasing the availability of high-quality, affordable, and accessible child care.

Requires the Task Force to submit a final report of its findings and recommendations to the General Assembly no later than July 1, 2021, at which time the Task Force is to be terminated.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$54,300/FY20-21

Other Fiscal Impact – A portion or all of the funding required for the consulting firm contract may be available through the existing Child Care Development Fund grant.

SUMMARY OF AMENDMENT (016565): Deletes and replaces language from the original bill such that the only substantive changes are: (1) to designate the Commissioner of DHS or the Commissioner's designee as the chair of the Task Force; and (2) to make the provision for hiring a consulting firm dependent on whether it is determined to be needed by the Task Force.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Based on information provided by DHS, the Department will administer the Task Force utilizing existing staff and resources.
- For the purposes of this analysis, it is assumed that DHS will hire a consulting firm to assist in the development of a multi-year plan for increasing the availability of high-quality, affordable, and accessible child care.

- The cost for DHS to contract with a third-party consultant for these purposes is reasonably estimated to be \$50,000.
- The Task Force will consist of two legislative members and nine non-legislative members, for a total of 11 members.
- The Task Force will meet at least quarterly. For the purposes of this analysis, it is assumed that all 11 Task Force members will attend four total meetings.
- Legislative members of the Task Force are to be reimbursed as members of the General Assembly and paid for attending legislative meetings; other members shall not receive compensation for service, but be reimbursed for any travel expenses incurred for attending meetings, except for the four representatives of DHS, the Department of Labor and Workforce Development, the Department of Economic and Community Development, and the Department of Education, who will attend Task Force meetings in the course of their regular business. Therefore, five non-legislative members will be reimbursed for travel expenses.
- The General Assembly will be in session at the time of one quarterly Task Force meeting.
- Legislative members will receive per diem of \$240 per day for three Task Force meetings; seven members will receive \$0.47 per mile roundtrip; the average miles travelled per member is estimated to be 234 miles roundtrip.
- The average mileage reimbursement per member for each meeting is estimated to be \$110 (\$0.47 x 234 miles).
- The cost per legislative member for each meeting is estimated to be \$350 (\$240 per diem + \$110 mileage).
- The total cost relative to legislative members is estimated to be \$2,100 (2 members x \$350 x 3 meetings).
- The total cost relative to non-legislative members is estimated to be \$2,200 (5 members x \$110 x 4 meetings).
- The one-time increase in state expenditures as a result of this legislation is estimated to be \$54,300 (\$50,000 for consulting firm + \$4,300 for member travel and reimbursement) in FY20-21.
- Any increase in expenditures to the Task Force to compile and submit the final report will not be significant.
- A portion or all of the funding required for the consulting firm contract may be available through the Child Care Development Fund grant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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